



One state. One system.

Bond Accounting

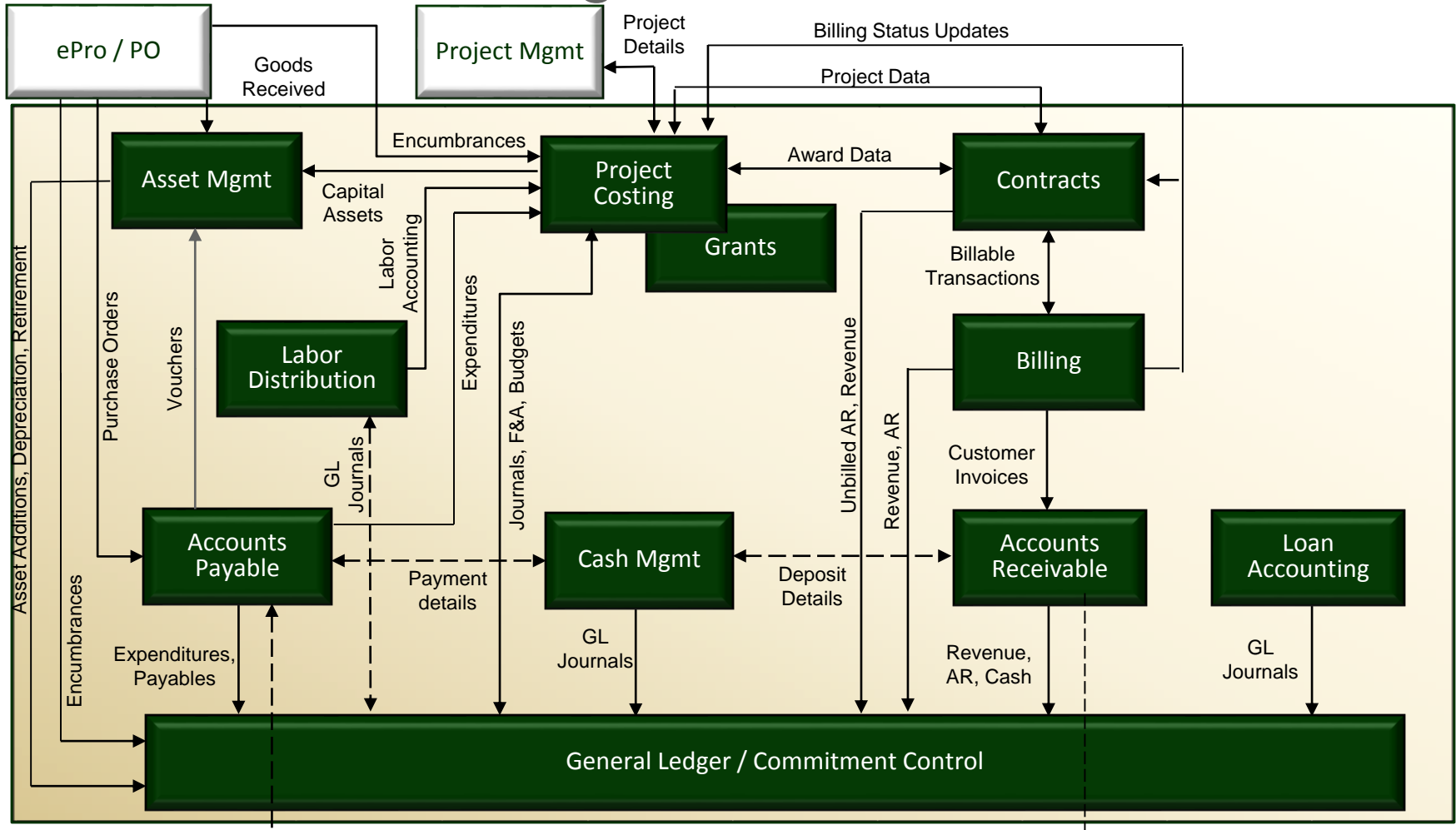
2017 Departmental Release



Agenda

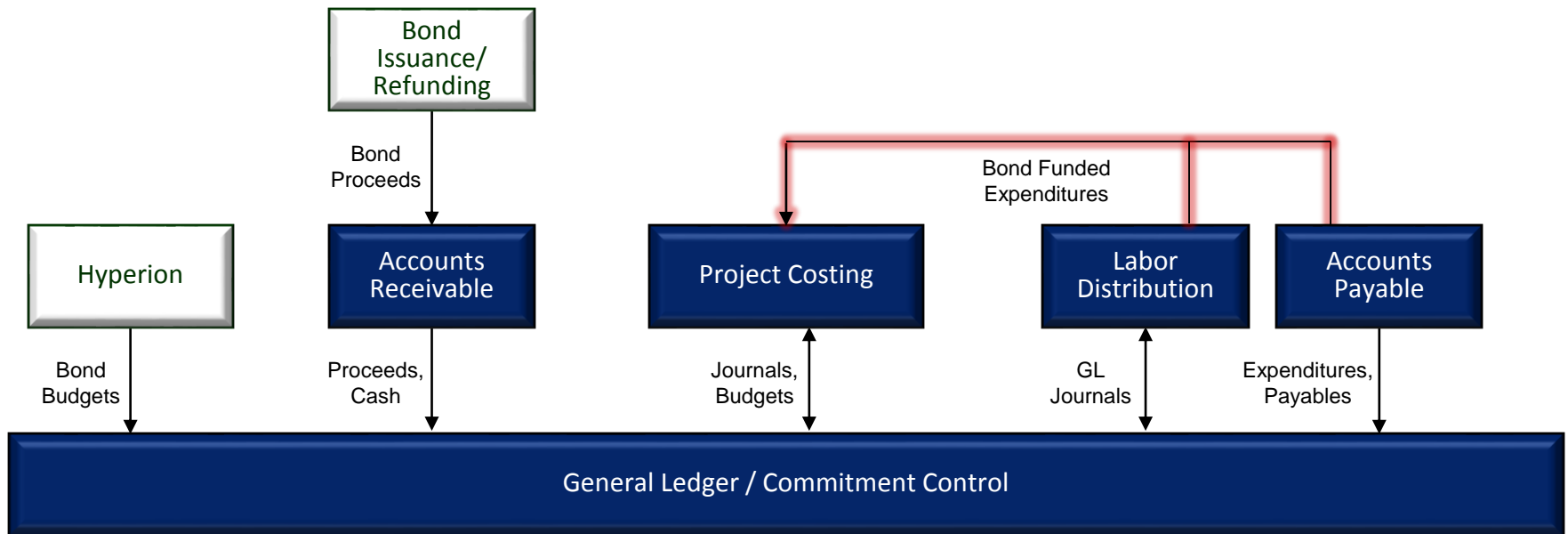
- Introduction
 - Solution Overview
 - Key Terms
 - Fund Overview
- Debt Issuance
- Debt Proceeds
- Debt Funded Transactions
- Closing
 - Related User Roles
 - Questions

FI\$Cal Accounting Solution



Common Bond Transactions

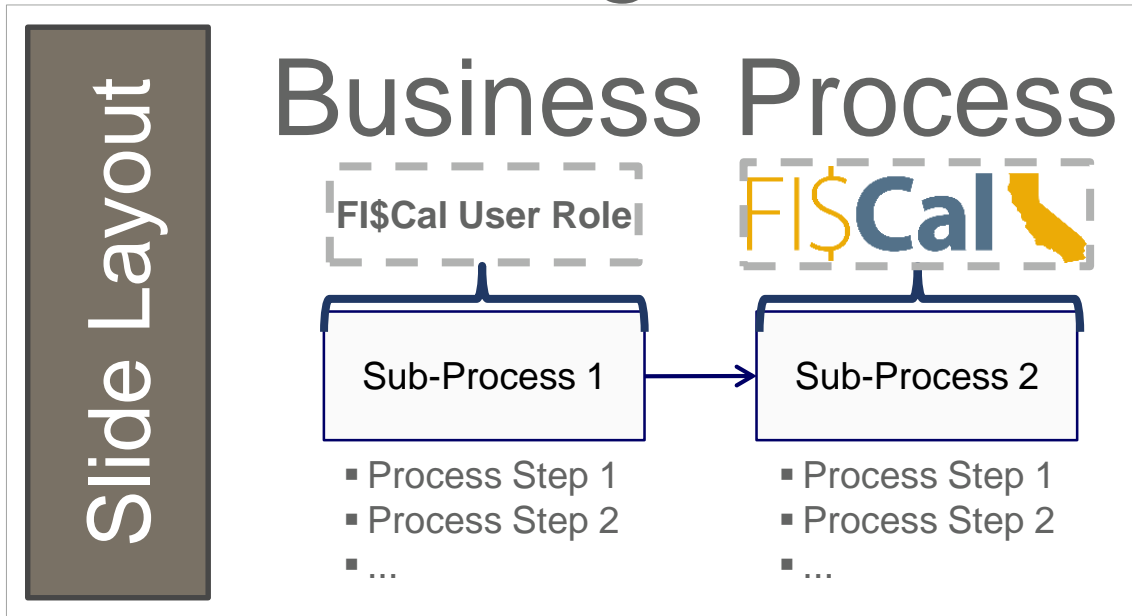
 Expenditure Project ID



Key Terms

Term	Definition
Bond Accounting	Includes accounting for all types of debt and related debt instruments; the process includes recording for all accounting entries generated by the lifecycle stages of the debt and debt funded activities. Bond Accounting is not a FI\$Cal module.
Debt Funded Expenditure Project <i>‘Exp Project’</i>	Debt is frequently issued for the purpose of funding specific projects, construction or otherwise. When debt funds a project they are known as Debt Funded Expenditure Projects, or simply Expenditure (Exp) Projects. These projects may represent grants, new construction, expansion, renovation or replacement project for an existing facility or facilities.

Presentation Legend



Organization

Indicates that the process is completed by another department



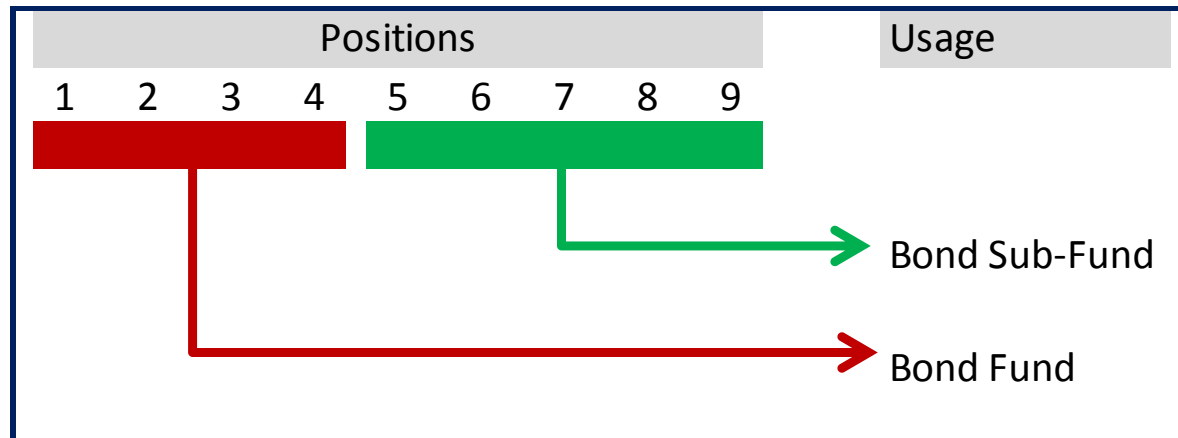
Indicates that the process is automatically completed by FI\$Cal

FI\$Cal User Role

Indicates that the sub-process is completed by an end user assigned the listed role

Fund ChartField

- The Fund and Sub-Fund concepts exist in a single ChartField
 - The first 4 digits identify the debt fund
 - The next 5 digits identify the debt sub-fund



Types of Debt Sub-Funds

Name	Usage
Proceeds	Net proceeds
Expenditure	Debt funded expenditures
Debt Service	Fund debt service payments
Reserve	Protection against default for debt holders
Rebate	Arbitrage related tax liability
Escrow	Refunding proceeds
Cost of Issuance	Debt issuance expenses paid directly by the state
Construction Contingency	Construction costs in excess of plan / budget

Fund ChartField Attributes

- Type of Debt Sub-Fund
- Taxable vs Non-Taxable
- Type of Debt Instrument (G.O., L.R.B., C.P., etc.)
- Liquidating or Non-Self Liquidating
- Governmental Use or Business Use
- Restricted Use:
 - Build America Bond
 - Green Bond
 - Etc.

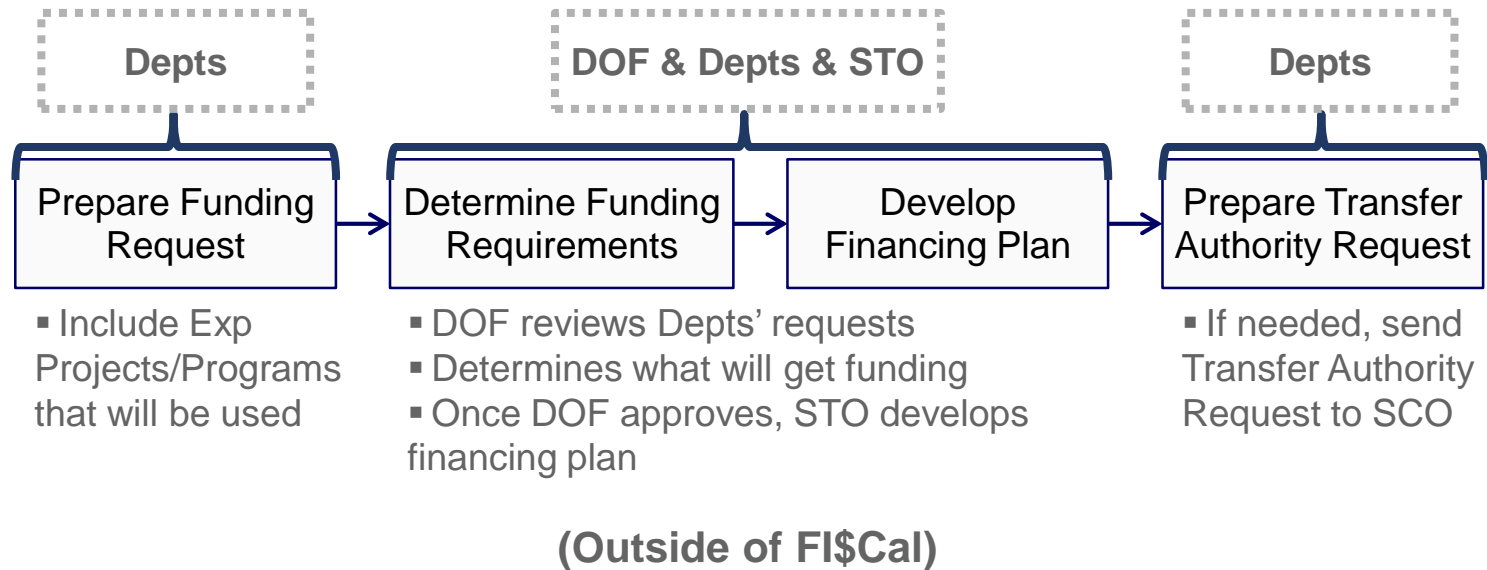
Agency Use ChartField

- Agency Use ChartField can be used to further breakdown budget, expenditure, and revenue information at a lower level of detail required for Bond Accounting and reporting.
- Departments will be able to define any 10-alphanumeric character to properly classify the transaction for debt activity purposes.

Debt Issuance

- The actual authorization and issuance of debt will be performed outside of FI\$Cal.
- **Debt Issuance** includes the following Business Processes:
 - Generate Debt Issuance

Generate Debt Issuance



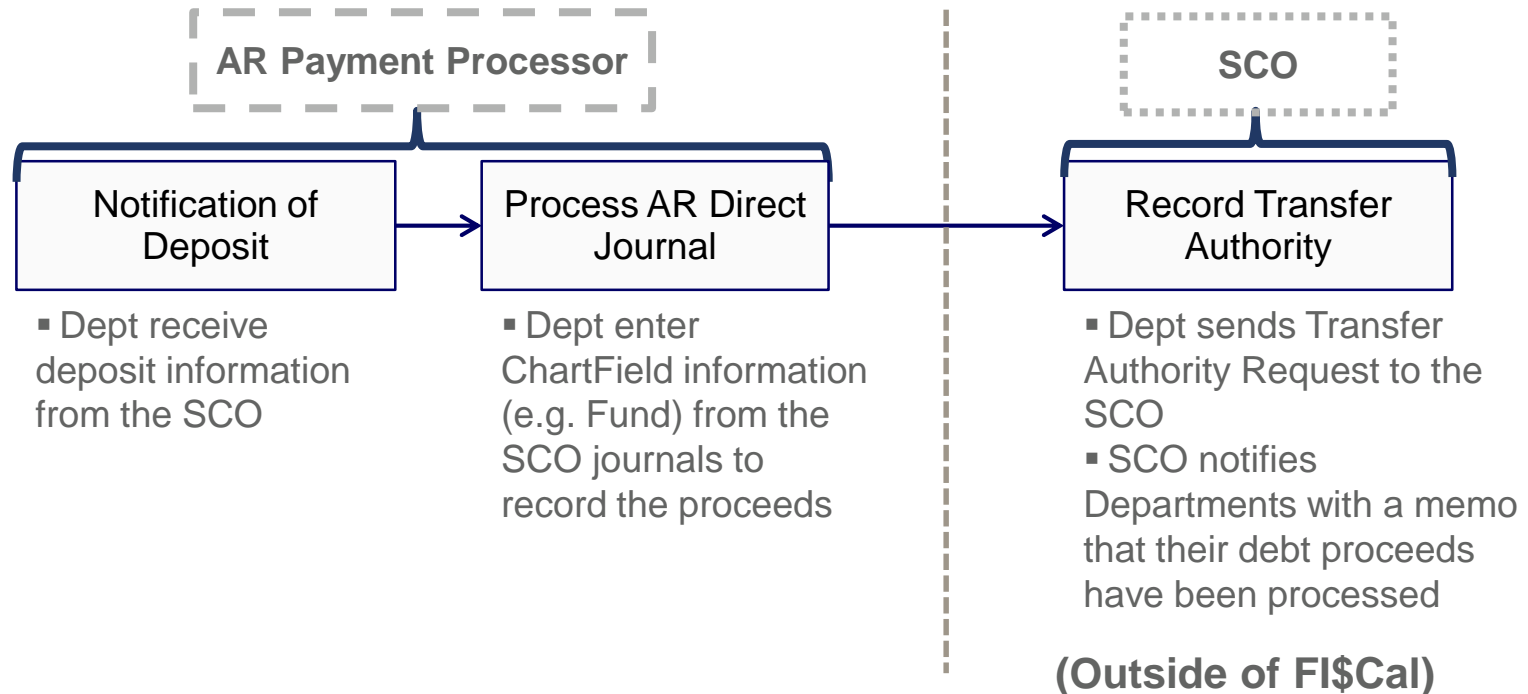
Key Impacts

- The actual issuance of debt will be performed outside of FI\$Cal
- Departments will now define Expenditure (Exp) Projects for their internal reporting requirements, Exp Projects/Programs are required on the Funding Request

Debt Proceeds

- The Debt Proceeds business process supports the recording and application of monies received directly into the State Treasury in the FI\$Cal Accounts Receivable module
- The STO will record the proceed amounts it receives in legacy
- The SCO will record the proceeds to the correct funds in legacy
- The departments will record the proceeds to the correct funds in FI\$Cal using an AR Direct Journal
- **Debt Proceeds** includes the following Business Processes:
 - Record Proceeds Deposits

Record Proceeds Deposit



Key Impacts

- Direct Remittances are now entered as AR Deposits in FI\$Cal

Accounting Example – Proceeds Direct Journal

Transaction	Business Unit	Fund Type	Debit	Credit	GL Unit	Account	Fund	Project
AR Direct Journal (AR Deposit)	Expenditure BU	Proceed	Pending Cash AR		0890	1109300	603200301	
				Proceeds Revenue	0890	4170200	603200301	
Pending Cash Reclass (System)	Statewide	Proceed	Cash in State Treasury		0000	1104000	603200301	
				Unappropriated Transfer In	0000	6510000	603200301	
	Expenditure BU		Unappropriated Transfer Out		0890	6520000	603200301	
				Pending Cash AR	0890	1109300	603200301	

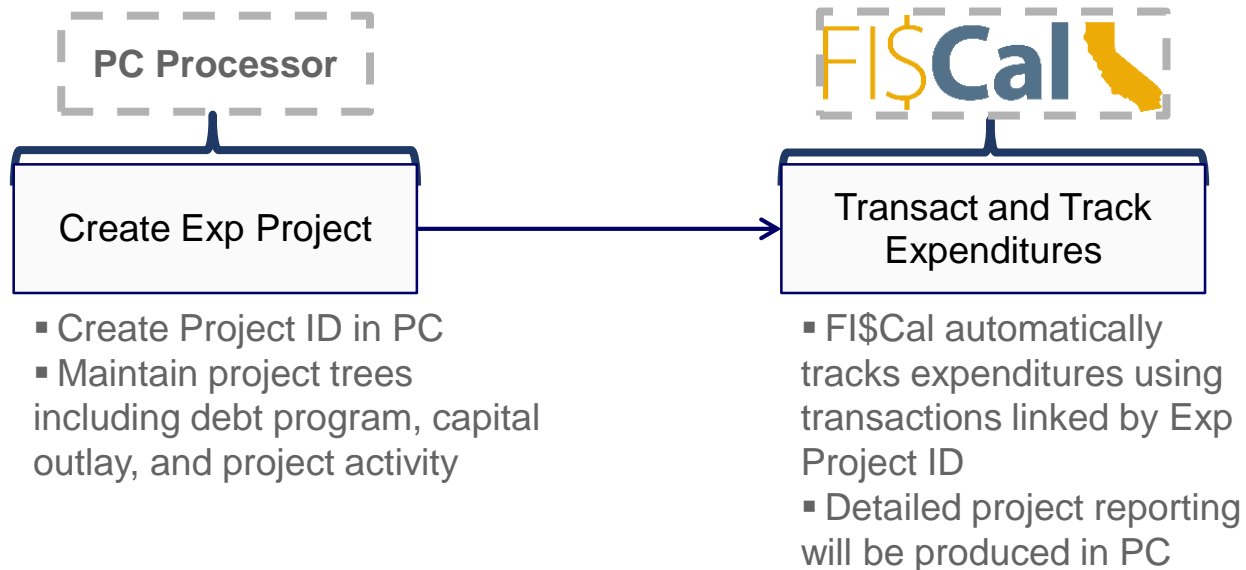
Key Impacts

- Departments will now be using the 4-series account for the proceeds

Debt Funded Transactions

- SCO establishes initial transfer budgets in the proceeds fund and, if needed, reallocates using the Transfer Authority Request form submitted by the departments
- Generally debt funded transactions require a cash transfer
- **Debt Funded Transactions** includes the following Business Processes:
 - Tracking Expenditures
 - Debt Funded Expenditures
 - Manual Debt Cash Transfers

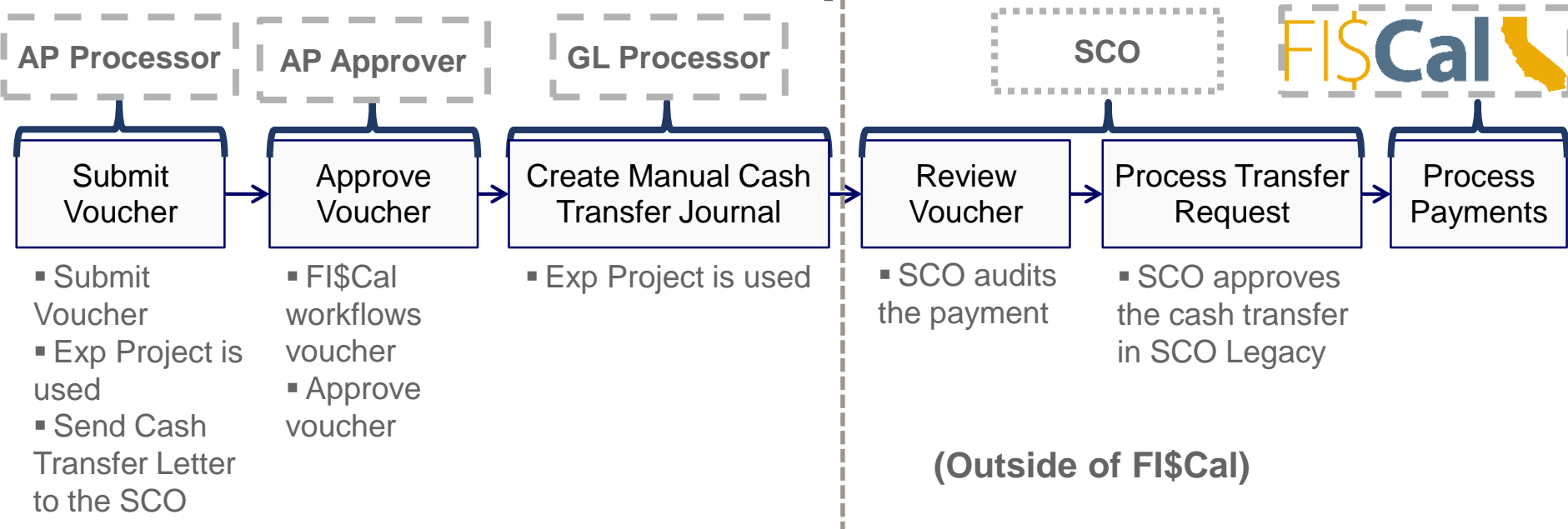
Tracking Debt Funded Expenditures



Key Impacts

- Departments can track and report on project expenditures at a detailed level

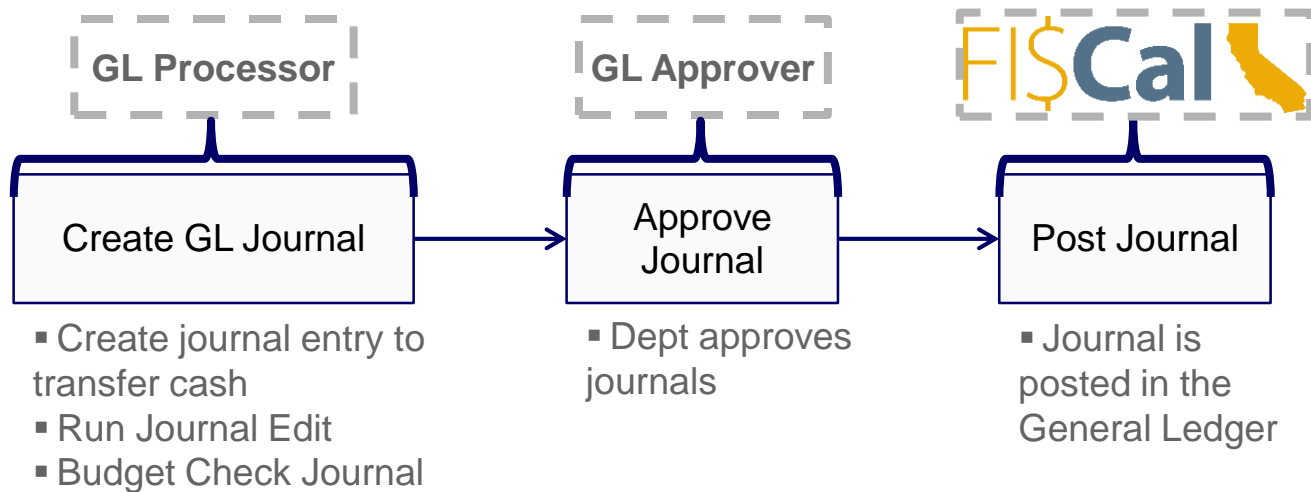
Debt Funded Expenditures



Key Impacts

- Exp Project is required to track expenditures

Manual Cash Transfers



Key Impacts

- FI\$Cal Depts will submit journals in FI\$Cal based on approved SCO journal entry

Accounting Example – Debt Funded Voucher

Transaction	Business Unit	Fund Type	Debit	Credit	GL Unit	Account	Fund	Project
Voucher Posting	Expenditure BU	Bond Expense	Project Expense		0890	5301400	603200001	Exp Project
				AP- Liability	0890	2000000	603200001	
Bond Cash Transfer (GL Journal)	Expenditure BU	Proceed	Transfers to Other Funds		0890	6210000	603200301	
				Due From GL Journal	0890	1240030	603200301	
		Bond Expense	Due To GL Journal		0890	2010030	603200001	
				Unappropriated Transfers from Other Funds	0890	6521000	603200001	Exp Project
Pending Cash Allocation Reclass (System)	Expenditure BU	Proceed	Due From GL Journal		0890	1240030	603200301	
				Unappropriated Transfer In	0890	6510000	603200301	
	Statewide		Unappropriated Transfer Out		0000	6520000	603200301	
				Cash in State Treasury	0000	1104000	603200301	
	Expenditure BU	Bond Expense	Unappropriated Transfer Out		0890	6520000	603200001	
				Due To GL Journal	0890	2010030	603200001	
	Statewide		Cash in State Treasury		0000	1104000	603200001	
				Unappropriated Transfer In	0000	6510000	603200001	
Payment Posting (System)	Expenditure BU	Bond Expense	AP- Liability		0890	2000000	603200001	
				Unappropriated Transfers In	0890	6510000	603200001	
	State		Unappropriated Transfers Out		0000	6520000	603200001	
				Cash in State Treasury	0000	1104000	603200001	

Related User Roles

End-User Role	Description
AP Processor	The end users who will : - create vouchers for the payment of invoices - manage the vouchers through budget checking, hold, and matching activities
AP Approver	The end users who will approve the vouchers for payment.
AP Payment Processor	The end users who will run the department's Pay Cycle and manage the payments, including canceling, posting, and escheating departmental checks.
AR Payment Processor	The end users who will enter deposit and payment data, including applying payments to invoices.
BI/AR Approver	The end users who will review, update, and approve bills, receivable items, and deposit and payment data, including setting transactions to post.

Related User Roles

End-User Role	Description
PC Processor	The end users who will: <ul style="list-style-type: none"> - create projects - maintain projects
GL Processor	The end users who will: <ul style="list-style-type: none"> - creates journal entries in the Modified Accrual ledger - review and update the journal entries within the Cash Management module.
GL Approver	The end users who will approve department journal entries.

Appendix A

Parks Statewide Bond Unit Using FI\$Cal Functionality to Track Bond Fund Transactions

Bond Example - Summary

PROP 84 WATER QUALITY, SAFETY AND SUPPLY.
FLOOD CONTROL. NATURAL RESOURCE PROTECTION.
PARK IMPROVEMENTS. BONDS. INITIATIVE STATUTE.

ANALYSIS BY THE LEGISLATIVE ANALYST (CONTINUED)

FIGURE 1	
Proposition 84: Uses of Bond Funds	
	Amount (In Millions)
Water Quality	\$1,525
• Integrated regional water management.	1,000
• Safe drinking water.	380
• Delta and agriculture water quality.	145
Protection of Rivers, Lakes, and Streams	\$928
• Regional conservancies.	279
• Other projects—public access, river parkways, urban stream restoration, California Conservation Corps.	189
• Delta and coastal fisheries restoration.	180
• Restoration of the San Joaquin River.	100
• Restoration projects related to the Colorado River.	90
• Stormwater pollution prevention.	90
Flood Control	\$800
• State flood control projects—evaluation, system improvements, flood corridor program.	315
• Flood control projects in the Delta.	275
• Local flood control subventions (outside the Central Valley flood control system).	180
• Floodplain mapping and assistance for local land use planning.	30
Sustainable Communities and Climate Change Reduction	\$580
• Local and regional parks	400

Bond Example – Subsection details

for salmonid species listed as threatened or endangered under state or federal law.

(b) The sum of ninety million dollars (\$90,000,000) shall be available for projects related to the Colorado River in accordance with the following schedule:

(1) Not more than \$36,000,000 shall be available to the department for water conservation projects that implement the Allocation Agreement as defined in the Quantification Settlement Agreement.

(2) Not more than \$7,000,000 shall be available to the Department of Fish and Game for projects to implement the Lower Colorado River Multi-Species Habitat Conservation Plan.

(3) \$47,000,000 shall be available for deposit into the Salton Sea Restoration Fund.

(c) The sum of fifty four million dollars (\$54,000,000) shall be available to the department for development, rehabilitation, acquisition, and restoration costs related to providing public access to recreation and fish and wildlife resources in connection with state water project obligations pursuant to Water Code Section 11912.

(d) The sum of seventy two million dollars (\$72,000,000) shall be available to the secretary for projects in accordance with the California River Parkways Act of 2004 Chapter 3.8 (commencing with Section 5750) of Division 5. Up to \$10,000,000 may be transferred to the Department of Conservation for the Watershed Coordinator Grant Program.

(e) The sum of eighteen million dollars (\$18,000,000) shall be available to the department for the Urban Streams Restoration Program pursuant to Water Code Section 7048.

(f) The sum of thirty six million dollars (\$36,000,000) shall be available for river parkway projects to the San Joaquin River Conservancy.

(g) The sum of seventy two million dollars (\$72,000,000) shall be available for projects within the watersheds of the Los Angeles and San Gabriel Rivers according to the following schedule:









(1) \$36,000,000 to the San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy pursuant to Division 22.8 (commencing with Section 32600).

(2) \$36,000,000 to the Santa Monica Mountains Conservancy for implementation of watershed protection activities throughout the watershed of the Upper Los Angeles River pursuant to Section 79508 of the Water Code.



Utilizing Agency Use Chartfield – Setting up

Agency Use

SetID 3810 Agency Use B0401

Effective Date							Personalize Find View All  		First  1 of 1  Last
*Effective Date	*Status	*Description	*Short Description	Budgetary Only	Attributes	Long Description			
01/01/1901 	Active 	P84 PD Upper LA Watershed	P84PDUpLAW	<input type="checkbox"/>	<u>Attributes</u>	Long Description			

 Save  Notify

 Add  Update/Display  Include History  Correct History

Utilizing Agency Use Chartfield – Linking attributes

Agency Use B0401

Personalize | Find | View All | First 1 of 4 Last

Chartfield Attributes

Chartfield Attribute Values

Personalize | Find | View All | First 1-4 of 4 Last

SetID	ChartField Value	Effective Date	Field Name	*ChartField Attribute	ChartField Attribute Value	Attribute Value Description		
3810	B0401	01/01/1901	CHARTFIELD1	PURPOSE TYPE	1	Program Delivery	+	-
3810	B0401	01/01/1901	CHARTFIELD1	BOND PROGRAM	UPPER LA WATERSHED	Upper Los Angeles Watershed	+	-
3810	B0401	01/01/1901	CHARTFIELD1	ALLOCATION	PRC 75050(G)(2)	PRC 75050(g)(2)	+	-
3810	B0401	01/01/1901	CHARTFIELD1	BOND	6051	6051	+	-

OK Cancel

Operating Budgets - Selecting the correct structure

Available Operating Budget Structures												
Name	Budget Type	Required ChartFields										
		Account	Fund	Program	Reporting Structure	Service Location	Agency Use	PC Business Unit	Project ID	Project Activity	Enactment Year	Approp Reference
Available Expenditure Budget Structures												
EXP1	Expenditure	✓	✓	✓	○	○	○	☒	☒	☒	✓	✓
EXP2	Expenditure	✓	✓	✓	✓	○	○	☒	☒	☒	✓	✓
EXP3	Expenditure	✓	✓	✓	✓	✓	○	☒	☒	☒	✓	✓
EXP4 (Project)	Expenditure	✓	○	○	○	○	○	✓	✓	✓	○	○
EXP5 (Project)	Expenditure	✓	✓	○	○	○	○	✓	✓	✓	✓	✓
EXP6 (Project)	Expenditure	✓	✓	✓	○	○	○	✓	✓	✓	✓	✓
EXP7 (Project)	Expenditure	✓	✓	✓	✓	○	○	✓	✓	✓	✓	✓
Available Revenue / Receipt Budget Structures												
REV1	Revenue	✓	✓	○	○	○	○	☒	☒	☒	○	○
REV2	Revenue	✓	✓	✓	○	○	○	☒	☒	☒	✓	✓
REV3	Revenue	✓	✓	✓	✓	○	○	☒	☒	☒	✓	✓
REV4	Revenue	✓	✓	✓	✓	✓	○	☒	☒	☒	✓	✓
REV5 (Project)	Revenue	✓	✓	✓	✓	○	○	✓	✓	✓	✓	✓
Requested Budget Structures												
		✓	Required Field									
		○	Optional Field									
		☒	Field not being added									

Tree for Capital Projects – Linking detail project to DOF project

Tree Manager

SetID 3810

Last Audit Valid Tree

Effective Date 01/01/1901

Status Active

Tree Name PRJ_COMMCONTROL

Project Commitment Control

[Save As](#) [Close](#)

[Tree Definition](#) [Display Options](#) [Print Format](#) [Export to PDF](#)

[3810](#) >0000000000001002

[Collapse All](#) | [Expand All](#)


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 3810 -


 000000000000666 - 5020001-Cap Outlay Acquisitions

 [3810SMM0475] - Mentryville Improvements


 [ZZZZZZZZZZZZZZ - ZZZZZZZZZZZZZZZ]

 000000000000667 - 5020-Cap Outlay & Local Asst

 [3810SMM0605] - Franklin Canyon Improvements

 [ZZZZZZZZZZZZZZ - ZZZZZZZZZZZZZZZ]

 **0000000000001002 -**

 [ZZZZZZZZZZZZZZ - ZZZZZZZZZZZZZZZ]



Utilizing Project Costing Attribute – Project Attribute tab

FI\$Cal

Approval Justification User Fields Rates Attachments Asset Integration Rules Budget Alerts Supplemental Data **Project Attributes**

PC Business Unit 3810 Project ID 3810NP0640 Great Wall

Reporting Structure Estimated Project Cost

Lead BU (Statewide emergency projects) Current Phase

*Quarterly Reportable No Project Delivery Method

LEED System LEED Rating

Customer Account Number Customer Name

Customer Acronym

Customer Business Unit Customer Project ID

Departmental/Parent PC BU Departmental/Parent Project ID

Last Updated Date Time 06/12/2017 10:31:24AM

Child Projects Personalize Find View All First 1 of 1 Last

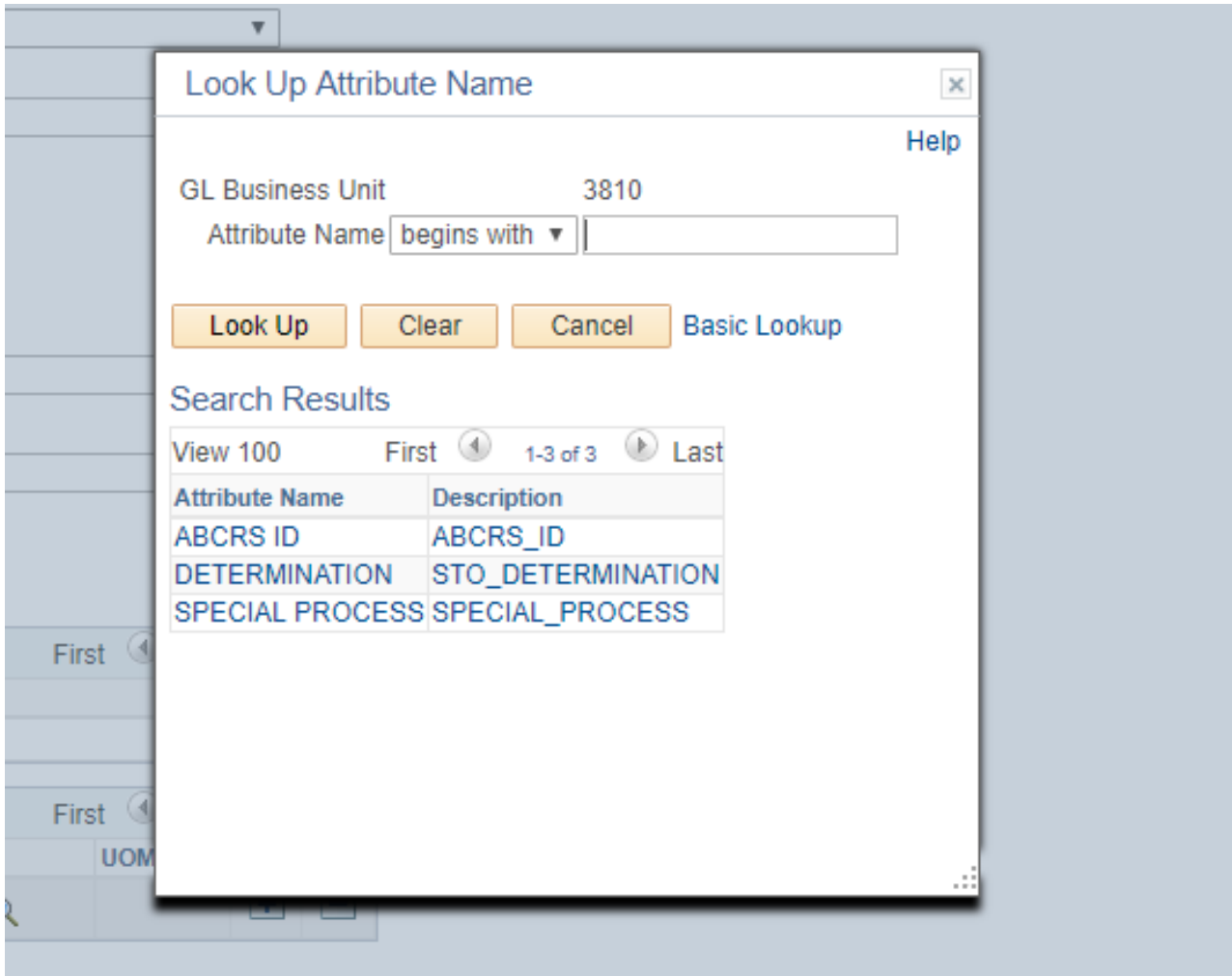
PC Business Unit	Project	Description
1		

Custom Attributes Personalize Find View All First 1 of 1 Last

Attribute Name	Description	Value Free Form	Value Drop Down	Value Prompt	UOM
1		<input type="text"/>	<input type="text"/>	<input type="text"/>	

Save Return to Search Previous in List Next in List Refresh Add Update/Display Include History Correct History

Utilizing Project Costing Attribute – Selecting attributes



Look Up Attribute Name Help

GL Business Unit 3810

Attribute Name begins with

Look Up **Clear** **Cancel** [Basic Lookup](#)













Search Results

View 100 First 1-3 of 3 Last

Attribute Name	Description
ABCRS ID	ABCRS_ID
DETERMINATION	STO_DETERMINATION
SPECIAL PROCESS	SPECIAL_PROCESS

Utilizing Project Costing Attribute – Selecting the attribute values

1

Custom Attributes							Personalize Find View All  		First	1-3 of 3	Last
	Attribute Name	Description	Value Free Form	Value Drop Down	Value Prompt	UOM					
1	ABCRS ID 	ABCRS_ID	<input type="text"/>								 
2	DETERMINATI 	STO_DETERMINATION		<input type="text" value="▼"/>							 
3	SPECIAL PRO 	SPECIAL_PROCESS			<input type="text"/> 						 

 Save
  Return to Search
  Previous in List
  Next in List
  Refresh
  Add
  Update/Display
  Include History
  Correct History

Question and Answer



FI\$Cal Information:

<http://www.fiscal.ca.gov/>

or e-mail the FI\$Cal CMO Team at:

fiscal.cmo@fiscal.ca.gov